

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number _____

Meeting Type: Regular

Meeting Date: 6/14/2012

Action Requested By:
Legal

Agenda Item Type
Resolution

Subject Matter:

Invoke letter of credit.

Exact Wording for the Agenda:

Resolution authorizing the Clerk Treasurer to Invoke First Commercial Bank Letter of Credit No. 107 for Center at Chase Creek Subdivision.

Note: If amendment, please state title and number of the original

Item to be considered for: Action

Unanimous Consent Required: No

Briefly state why the action is required; why it is recommended; what Council action will provide, allow and accomplish and; any other information that might be helpful.

Associated Cost:

Budgeted Item: No

MAYOR RECOMMENDS OR CONCURS: Yes

Department Head: 

Date: 6-8-12

RESOLUTION NO. 12-_____

WHEREAS, First Commercial Bank issued a certain letter of credit (No. 107), a copy of which is attached hereto and incorporated herein by reference, including any amendments thereto, in favor of the City of Huntsville, Alabama pursuant to Article 5 of the Subdivision Regulations for the City of Huntsville, Alabama; and

WHEREAS, the letter of credit is due to be invoked and the proceeds used in accordance with said subdivision regulations.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Huntsville, Alabama, that the City of Huntsville Clerk-Treasurer be and is hereby authorized to present for payment to First Commercial Bank Letter of Credit No. 107, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

ADOPTED this the 14th day of June, 2012.

President of the City Council
of the City of Huntsville,
Alabama

APPROVED this the 14th day of June, 2012.

Mayor of the City of
Huntsville, Alabama



Center @ Chase Creek
Imp.

PO Box 040002
Huntsville, AL 35804
Phone 256-551-3300
www.fcb-hsv.com

AMENDMENT TO IRREVOCABLE LETTER OF CREDIT

imp
not yet

LETTER OF CREDIT NO.: #107

DATE OF AMENDMENT: June 22, 2011

AMENDMENT NUMBER: 01

BENEFICIARY

City of Huntsville, Alabama
Clerk-Treasurer Office
P.O. Box 308
Huntsville, AL 35804

CUSTOMER:

B & BL Properties, LLC
P.O. Box 12819
Huntsville, AL 35815

Madam/Sir:

Upon the request of the Customer and with your approval, on June 22, 2011, Synovus Bank, formerly known as Columbus Bank and Trust Company, as successor in interest through name change and by merger with First Commercial Bank ("Lender") hereby amends its Irrevocable Letter of Credit No. #107 dated June 22, 2010 ("Letter of Credit"), of which you are the Beneficiary in the following respect:

- Extend expiration date from June 22, 2011 to June 22, 2012.

This Amendment shall be deemed a part of the Letter of Credit and should be attached thereto. If the terms of the Letter of Credit require presentation thereof to Lender, as a condition to making a draw thereunder, this Amendment also must be presented.

Except to the extent specifically amended hereby, all other terms, provisions and conditions of the Letter of Credit shall remain unchanged and in full force and effect.

First Commercial Bank, a division of Synovus Bank
256-551-3300


W. Leigh Pegues

Its: Executive Vice President

OK
BEP
8/9/11

OK LCA
8/8/11

W 8-5-11

DB 8/5/11

P.O. Box 040002
Huntsville, Alabama 35804
256/551-3300

imp
JA



IRREVOCABLE LETTER OF CREDIT #113

Beneficiary:

City of Huntsville
P. O. Box 308
Huntsville, AL 35804

Applicant:

B & BL Properties, LLC
P.O. Box 12819
Huntsville, AL 35815

Bank:

First Commercial Bank
A Division of Synovus Bank
1148 Broadway
Columbus, GA 31901

Subject: Article 5 Improvements/Pre-Acceptance Letter of Credit for CHASE CREEK WELLNESS CENTER
A Resubdivision of Document No. 200501210000-40200 Huntsville, Alabama
Section 17 and Section 20, T-3-S, R-1-E

Amt: \$50,000.00

Date: September 15, 2010

Exp: September 15, 2011

Gentlemen:

We hereby issues our Irrevocable Standby Letter of Credit in your favor, effective September 15, 2010 for a sum not to exceed the aggregate of Fifty Thousand Dollars and Zero Cents (\$50,000.00) . Available by your one or more of your drafts at SIGHT on us.

All draft(s) drawn under and in compliance with the terms of this Credit prior to the expiration thereof will be duly honored if drawn and presented for payment to First Commercial Bank, A Division of Synovus Bank, 301 Washington Street, Huntsville, AL 35801.

Each draft must be accompanied by a statement signed by a representative of the City of Huntsville, Alabama stating that the draw is being made pursuant to Article 5 of the Subdivision Regulations.

THE ORIGINAL OF THIS LETTER OF CREDIT MUST BE PRESENTED WITH ANY DRAWING.

We hereby engage with you that drafts drawn under and in compliance with the terms of the credit will be duly honored upon presentation and deliver of the documents as specified.

The Letter of Credit shall be governed by the laws of the State of Alabama including but not limited to the Alabama Uniform Code, as the same may be from time to time amended.

This Letter of Credit is subject to the International Standby Practices 1998 (ISP98)

FIRST COMMERCIAL BANK, A Division of Synovus Bank


Leigh Pegues
Executive Vice President

OK [initials] 9/15/10

OK oec 9/15/10

OK
CE/x
9/17/10